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C O N F I D E N T I A L SECTION 01 OF 03 CANBERRA 000053

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SUBJECT: SECURITY AND DEFENSE COOPERATION FORUM (SDCF)

READOUT

Classified By: Pol/Econ Counselor Edgard D. Kagan for reasons 1.4(b)(d)

- (C) SUMMARY: Delegations from the United States, Australia, and Japan met in Sydney on November 23, 2009 for the third Security and Defense Cooperation Forum (SDCF). U.S. delegation was co-chaired by Assistant Secretary of State for Political Military Affairs Andrew Shapiro and Assistant Secretary of Defense for Asian and Pacific Security Affairs Wallace "Chip" Gregson. Over two days, the conference tackled a wide-ranging agenda. There was general agreement on most issues, but the conference continued to highlight the need for greater coordination among the three countries on many security-related issues. Some of the key outcomes included:
- --Continued importance of building a viable trilateral information sharing mechanism among the three countries.
- --An agreement to conduct a desktop exercise featuring a disaster relief scenario early next year.
- --Australia will prepare a paper detailing opportunities for further partnership among the three countries in maritime security.
- --An agreement to better coordinate the schedule of military exercises. An open invitation was also offered for Japan to observe the U.S.-Australia Talisman Sabre exercises, and Australia asked to observe the U.S.-Japan KEEN SWORD/EDGE exercises.
- --Australia will prepare a paper on maritime security cooperation for presentation at the next intercessional meeting of the SDCF.
- --Australia will host the next director-level intercessional meeting in May or June 2010.

END SUMMARY.

Information Sharing and Security

12. (C) Information sharing has continued to improve, but all agreed that establishment of a formal information sharing mechanism between Australia and Japan remains a top priority. Japan and Australia are currently in the midst of negotiations on a legally binding information sharing agreement and hope to have it finalized by late 2010. According to Nobushige Takamizawa, Director General of the Defense Policy Bureau for the Japanese Ministry of Defense, the new Japanese government is looking to create a unified, government-wide regime for handling classified information. The United States and Japan recently traded visits to observe

one another's procedures for handling classified information, as called for in the bilateral General Security of Military Information Agreement (GSOMIA).

Humanitarian Assistance and Disaster Relief

13. (C) Australia, Japan, and the United States agreed that it is important for the three countries to better coordinate future responses to disasters and humanitarian crises. three delegations viewed the joint responses to the earthquake in Indonesia and the tsunami in Samoa as successes, but said that those efforts also highlighted the need and opportunity for greater coordination. Australian Acting Deputy Secretary of Defence for Strategy Peter Jennings called on the three sides to hold a meeting of key HA/DR planners, and suggested that the Australian draft tabletop exercise currently scheduled for February might be the right opportunity. As directed in the 2006 Pacific Global Air Mobility Seminar terms of reference, the three countries plan to develop SOPs for airlifts and air refueling. The Japanese delegation pushed hard for a mutual Qrefueling. The Japanese delegation pushed hard for a mutual logistics support agreement between Japan and Australia, like the U.S.-Japan Acquisition and Cross-Servicing Agreement (ACSA), which would allow more seamless cooperation between Australian and Japanese forces in HA/DR operations.

Joint/Combined Training Opportunities

14. (C) The SDCF explored opportunities to expand and enhance CANBERRA 00000053 002 OF 003

joint/combined training opportunities; however budgetary constraints and real-world demands on forces may limit what is possible. Australia issued an open invitation to Japan to observe Talisman Sabre, a major joint U.S.-Australia exercise, and expressed interest in observing KEEN SWORD and KEEN EDGE, major U.S.-Japan joint exercises. Australian officials asserted that lack of access to Japanese airfields limits their ability to participate in training exercises, and all sides agreed to investigate this problem further. The group also discussed expanding P-3 training opportunities, possibly conducting a trilateral ground exercise, and conducting a trilateral exercise based in Guam, but all will require further discussion before any future plans are finalized. Assistant Secretary Gregson also raised the possibility of conducting training in the Freely Associated States in the Western Pacific at some point in the future.

Basing of Australian Aircraft

15. (C) Jennings pressed the United States and Japan to find a way to extend the U.S. Status of Forces Agreement (SOFA) to cover Australian personnel embedded with U.S. forces and to allow the basing of Australian aircraft for trilateral exercises in Japan. This issue was referred to the directors' meeting the following day, but no agreement was reached, as Japan is unwilling to apply the U.S. SOFA to Australians and Australia is reluctant to cede sovereignty of its forces to the U.S. UCMJ. After a lengthy discussion, the best Japan would offer was to examine this on a case-by-case basis. Discussions will continue in the future.

Perspectives on China's Goals in the Region

16. (C) The SDCF agreed that China's short-term intentions are peaceful, but questioned its long-term goals. Colonel Frank Miller of the U.S. Joint Staff said that China's ultimate goal is to perpetuate Communist Party rule. China is seeking to ensure stability through economic growth and has determined that peace is the best way to accomplish this.

Jennings noted that while China claims its intentions are benign, its acquisition of force projection and asymmetrical capabilities raises concerns about China's long-term intent.

Bilateral Military Engagement with China

17. (C) The three countries each outlined their bilateral military engagement with the PRC. Both Japan and Australia reported that they feel their bilateral engagement with China has been productive. Australia has a major bilateral exchange in 2010, along with a seminar on peacekeeping and a military artistic exchange (i.e. military bands). Japan expected that the Chinese defense minister will visit Japan in late November. During the visit, Japan will propose formalizing regular ministerial visits, bilateral ship visits, and a trilateral China-Japan-South Korea forum. In the next year, Japan also expects that its defense minister will visit China. In closing, Australia stressed the need to push for more substantive military engagement with China, rather than just a formulaic exchange of visits.

North Korea

18. (C) The three delegations agreed that it is important to persuade North Korea to return to the negotiating table, but that they are not willing to offer concessions for promises Qthat they are not willing to offer concessions for promises the DPRK has already undertaken in previous rounds of negotiations. All parties agreed that is was important that China take a more active role with regard to North Korea.

Contributions to Afghanistan and Pakistan

19. (C) The three sides all summarized their current commitments in Afghanistan and Pakistan and what future contributions are under consideration. Australia reiterated its stance that it will not assume Lead Nation Status in Oruzgan Province after the Dutch withdraw in August 2010 and that their current troop levels are "about right." Australia plans to reassess the composition of its forces in Afghanistan and significantly increase its civilian presence

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there. Takamizawa said that the new Japanese government wants to make a unique contribution to Afghanistan, but has ruled out sending military forces. Japan is unlikely to make any decision about involvement in Afghanistan in the near future beyond its November 2009 pledge of \$5 billion for disarmament, reintegration, and civilian security sector assistance. In Pakistan, Australia highlighted expanded training of Pakistani police forces and Japan its civilian aid program.

Missile Defense Cooperation

110. (C) The three countries expressed optimism for future cooperation on bilateral missile defense. Takamizawa and Deputy ASD Robert Scher both hoped that the U.S. and Japan would be able to broaden their cooperation on missile defense. Takamizawa said that in the near future missiles based in Japan may help keep the U.S. safe due to the increasing range of North Korean missiles, and that it may be time to debate changing Japan's interpretation of its constitution to allow this. Australia was more cautious on missile defense, stating that it supports it so long as it does not upset the regional balance of power. Australia will host the Trilateral Missile Defense Forum in the first half of 2010.

Maritime Security

111. (C) The conference acknowledged the great successes that the three countries have had working together on maritime security and called for improved coordination. The three delegations praised the success of anti-piracy efforts in the Gulf of Aden, where all three countries are engaged. Each country outlined its current maritime security efforts in the Asia-Pacific and stressed the need for improved coordination of these efforts. There was a consensus that building the capacity of Asia-Pacific nations to deal with their own maritime security concerns is key to this effort.

Counter-Proliferation

- 112. (C) The group praised the success of the Proliferation Security Initiative (PSI) and discussed proliferation concerns in North Korea and Burma. DAS Tony Foley of the Bureau of International Security and Non-Proliferation complimented both Japan and Australia for their strong leadership role in the PSI and stressed the need for them to continue in that regard. He highlighted President Obama's call to make PSI an enduring international institution and emphasized that this did not mean the PSI would evolve to a traditional international organization and that PSI would retain its flexibility. He stated that the United States is developing the terms of reference to implement its role as the PSI Point of Contact and would share that with the OEG states. Responding to his query regarding hosting of the PSI Operational Experts' Group meeting, the Japanese side stated it had committed to do so but could not confirm yet that it would as the budgetary request has not yet been approved. Foley announced that Burma had recently agreed to implement UN Security Council Resolution 1874.
- 113. (U) This cable has been cleared by DOS/PM, DOS/ISN, DOS/EAP, DOS/S/SRAP, DOD/OSD. BLEICH